



LIQUOR STORES ASSOCIATION NEW SOUTH WALES



SUBMISSION

By the Liquor Stores Association NSW

To: Liquor & Gaming NSW

In response to: Evaluation of the CIS requirement for liquor licence applications

Date: July 2017

Liquor Stores Association of New South Wales Incorporated

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25th July 2017

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Via email: cis.evaluation@justice.nsw.gov.au

LSA NSW SUBMISSION: EVALUATION OF THE CIS REQUIREMENT FOR LIQUOR LICENCE APPLICATIONS

To Whom It May Concern,

The Liquor Stores Association NSW (LSA) welcomes the opportunity to provide a submission in response to Liquor & Gaming NSW's (L&GNSW) Discussion Paper on the *Evaluation of the effectiveness of the CIS requirement for liquor licence applications*.

As per the discussion paper issued by L&GNSW in June 2017, LSA understands that the purpose of the evaluation is to:

- Examine whether or not the current CIS process effectively captures local community concerns and feedback, and suggest improvements if required
- Examine how effective the CIS process is in facilitating the provision of feedback and information from local residents and other community stakeholders to support decision-making by ILGA and delegated officers
- Examine whether and how relevant stakeholders are being consulted by liquor licence applicants under the CIS process, and suggest improvements to increase transparency
- Examine existing time and cost impacts on industry to comply with the CIS requirement, and suggest improvements to cut red tape and minimise the potential for delays in the licence approval process
- Consider ways in which any duplication in CIS and consultation-related processes across local and state government authorities can be minimised, including information technology enhancements and business process changes
- Consider the appropriateness of maintaining separate CIS categories (A and B) which relate to different levels of risk
- Consider whether certain liquor application types should continue to be excluded from CIS-type requirements, and whether any types that are not currently excluded from the requirement should be.

Please find LSA's submission enclosed herewith, and I would be happy to provide any further information to support this submission, if required.

Yours sincerely,

Michael Waters
Executive Director



BACKGROUND & CONTEXT:

The NSW Liquor Act has a primary objective to:

(b) To facilitate the balanced development, in the public interest, of the liquor industry, through a flexible and practical regulatory system with minimal formality and technicality;

(c) To contribute to the responsible development of related industries such as the live music, entertainment, tourism and hospitality industries.

The Needs Test versus the Community Impact Statement (CIS):

In early 2002, the NSW Government released a Discussion Paper as part of the National Competition Policy (NCP) Review process that commenced in late 1999. Their proposed 'model' would request that the 'needs test' be discontinued, and that a 'public interest criteria', known as the 'Social Impact Assessment' (SIA), would replace the needs test and this has now been replaced by the CIS.

Removal of the needs test satisfied the NCP so that Federal Government funding would no longer be withheld from NSW. The NCP called for a review of the *Liquor Act 1982* as it contained what the NCP believed to be 'anti-competitive' legislation. The NCP Bill was subsequently introduced into Federal Parliament in August 2004, which then led to NSW Parliament eventually replacing the needs test with the SIA (now called the CIS).

Community Impact Statement (CIS):

Liquor licence applicants are required to complete a CIS when applying for certain types of liquor licences and authorisations under the *Liquor Act 2007 (The Act)*. The CIS is used by the Independent Liquor & Gaming Authority (ILGA) Board and delegated officers to consider stakeholder feedback on a proposed application. It helps decision-makers understand the outcomes of discussions between applicants and stakeholders regarding issues and concerns that are relevant to the application and allows them to be aware of relevant local issues.

The CIS is considered in determining whether the overall social impact of a liquor licence or authorisation will be detrimental to the well-being of a local or broader community (section 48 of *The Act*), and the requirement for applicants to lodge a CIS for certain types of liquor licences and authorisations was introduced in July 2008.

An applicant may be required to complete a Category A or B CIS, depending on the type of licence or authorisation they are seeking. The Category B CIS is for higher-risk applications (refer to Environment & Venue Assessment Tool below) and involves consultation with a greater number of stakeholders and local community organisations.

Category A CIS is required if seeking: a new packaged liquor licence limited to the sale or supply of alcohol via phone, fax, mail order or website; to remove this type of existing licence to other premises; primary service authorisation, e.g. where a restaurant wants to sell alcohol without meals; or extended trading on Sundays for an on-premises licence (between 5am and 10am or 10pm and 11pm).

Category B CIS is required if seeking: a new liquor licence; a new authorisation on an existing one; to remove an existing one in the following categories – hotel licence, club licence, small bar licence, packaged liquor licence, on-premises licence for a public entertainment venue other than a cinema or theatre, producer/wholesaler licence (if authorisation will allow the sale of alcohol by retail between 12am and 5am); and extended trading authority for a hotel, club, small bar or packaged liquor licence.

Environment & Venue Assessment Tool (EVAT):

In April 2012, the NSW Office of Liquor, Gaming & Racing (OLGR) announced a study on *'the cumulative impact of licensed premises in NSW'*, undertaken by the Allen Consulting Group, which aimed to identify the positive and negative impacts that may result from the clustering of licensed premises within a geographical location.



The purpose of the study was to provide a detailed and considered mapping of the social and economic impacts of liquor licence outlet density across NSW, to assist the NSW Government balance the economic and social benefits of the industry while minimising the harm associated with excessive and inappropriate alcohol consumption.

The research comprised two phases. Phase 1 investigated the factors that contribute to the cumulative impact of licensed premises and provided the evidentiary base for Phase 2 of the research: the development of a tool to guide liquor licensing decisions.

In Phase 1, Allen Consulting undertook a comprehensive desktop review of the national and international literature, extensive statistical analysis of specific data from a variety of sources including OLGR, BOCSAR, NSW Health, ABS and more, as well as an extensive stakeholder consultation process.

The report concluded that packaged liquor licences should be afforded a 'low risk' rating, suggesting that packaged liquor venues presented a lower level of risk relative to hotels and clubs, and that the proportion of liquor licences that were packaged liquor licences in a NSW local government area (LGA) was not found to have had a statistically significant relationship with the level of alcohol-related assaults or alcohol-related hospitalisations in the LGA once the impacts of other factors were taken into account.

Phase 2 subsequently commenced, with the EVAT developed and trialled for new liquor licence applications in the City of Sydney and City of Newcastle local government areas from early 2013 for 12 months, which was followed by an evaluation of the trial.

However following the 12 month trial of the EVAT and Government's decision to roll-out the tool state-wide in 2015, recommendations were made by OLGR, and then subsequently by Allen Consulting that the risk rating for packaged liquor licences should increase from 'low' to 'moderate', effectively putting the sector on par with bars and nightclubs in terms of perceived risk to the community.

The LSA and retail liquor industry has every right to be concerned over the evidence-base behind this change considering the highly contestable nature of the sources used.

A second stage of implementation, to involve detailed scoping and implementation of enhancements to EVAT, and include consideration of additional EVAT risk factors, is supposed to occur, followed by a third stage of implementation, to involve investigation of how the Regulator can most usefully provide information to potential applicants and local councils regarding EVAT risk ratings.

To LSA's knowledge, these additional stages are yet to be undertaken.

ILGA's CIS review:

In late May 2014, ILGA wrote to the LSA and other stakeholders announcing its review of the CIS process, and sought the views of key stakeholders as part of the preliminary consultation phase. The findings from these consultations were to help to inform ILGA of key CIS issues and guide the development of a discussion paper. A call for public submissions would form the second phase of the consultation process, and the discussion paper would be made available to assist those who wish to make submissions to the review.

Some of the areas that ILGA were exploring during the review included:

- CIS intersect with the liquor licensing framework, especially local council processes
- Level and type of information requested within each CIS category
- Criteria for needing to apply for a CIS
- Submission and notification processes
- Current and potential roles of the applicant, stakeholders and the community.



LSA met with ILGA on 24 June 2014 to discuss the review and provide feedback on behalf of members and industry stakeholders.

LSA briefing with ILGA – February 2015:

After receiving no feedback from ILGA following their CIS review, nor any sign of the discussion paper, and with members and industry stakeholders voicing their growing frustration and concern with increasing administrative delays, LSA requested a briefing with ILGA, which was held on 19 February 2015.

It was apparent ILGA was under increasing administrative pressure to meet desired aims, with the time taken to process licence applications having increased significantly in recent years, despite the number of applications decreasing over a similar time frame.

A number of key issues were raised during the briefing, many of which are still current and relevant within this review, therefore have been provided for reference as a separate document to this submission.

Liquor & Gaming Reform:

The Gaming & Liquor Administration Amendment Bill 2015 passed the NSW Parliament in November 2015. Under the reform, the NSW Office of Liquor, Gaming & Racing would be replaced by a new 'fit for purpose' regulator called Liquor & Gaming NSW (L&GNSW).

A significant change of the reform would enable community members affected by licensing decisions to be able to appeal decisions made by L&GNSW and ILGA on merit, through the NSW Civil and Administrative Tribunal.

Most of the new provisions commenced from February 2016, including: enabling the Minister to issue directions to the ILGA Board on administrative matters, such as the frequency of its meetings to ensure timeliness and transparency of decision-making and to reduce delays, and enabling ILGA to review certain licensing decisions made under delegation by designated staff of the Department of Justice.

As part of the reform, the key ministerial directions commenced from February 2016.

Community Access Team:

As part of the Reform measures, L&GNSW established a dedicated community access team whose role is to assist, inform and educate community members so that they can participate in liquor related decisions, policy development and government initiatives.

The team works with community groups and individuals to help them understand how to make a contribution to the liquor and gaming licence application process, and about the ways to have a say and stay informed on licensing decisions and make a contribution to policy reviews.

LSA briefing with the Deputy Premier's office – August 2016:

Despite the reform changes, LSA was becoming increasingly concerned with the apparent widening gap in the administration and processing of liquor licensing applications under ILGA's new ministerial directions, issued some six months earlier.

LSA requested a briefing with the Deputy Premier's office, which was held on 15 August 2016. A number of key issues were raised during the briefing, many of which are still current and relevant within this review, therefore have been provided for reference as a separate document to this submission.



KEY CONSIDERATIONS

During a stakeholder consultation meeting held on Friday 14 July 2017 between L&GNSW and the LSA, where we discussed the background to the evaluation, and responded to a number of specific questions. The information below is in direct response to 'key issues for comment', outlined in the discussion paper.

1. ARE COMMUNITY STAKEHOLDERS BEING APPROPRIATELY CONSULTED?

Are the right community stakeholders being invited to provide feedback on proposed liquor applications via the CIS process?

LSA believes that community stakeholders are being appropriately consulted, and the right community stakeholders are being invited to provide feedback on proposed liquor applications.

During the Development Application (DA) process through the local Consent Authority, stakeholders are able to obtain information on a proposal and have the opportunity to provide feedback on the same. Then, as part of the consultation process as part of the CIS, applicants are required to deliver a *Notice of Intention to Apply*. In addition, a site notice must be physically attached to the proposed premises so it is easily seen by passers-by, which must remain in place for 30 days.

The next step to the CIS process is the *Notice of Application*, where applicants are required to notify and consult with a broad number of community stakeholders, including but not limited to: local police, local council (and neighbouring council if within 500 metres of the council boundary), occupiers of all neighbouring premises within a 50 or 100 metre radius, the Department of Health, the Department of Family and Community Services, Roads & Maritime Services, recognised leaders of the local Aboriginal community (where applicable), and special interest groups or individuals (where applicable).

A second site notice must be erected and remain in place until the application is determined. With respect to notifying occupiers of neighbouring premises, this number can often vary from a handful to in some instances over a thousand, depending on the specific location, and considering both the DA and CIS processes, this is in effect a three step process for applicants, providing community stakeholders ample opportunity to provide feedback.

Do community stakeholders have the information, time and knowledge they need to provide informed feedback about a proposed application?

Community engagement is central to decisions about liquor licences, and NSW liquor laws give local communities a strong voice in licensing decisions, which is demonstrated through the CIS process.

LSA believes effective community engagement is important, and that community stakeholders are given sufficient tools and resources (i.e. information and time) needed to provide informed feedback about proposed applications.

Firstly, the *Notice of Intention to Apply* gives local community stakeholders an initial period of 30 days to provide feedback or seek additional information from the applicant in writing via email, post, by phone or face to face. Feedback from this process is included in the preparation of the CIS, which is lodged with the application.

Secondly, the *Notice of Application* is provided to stakeholders asking that they provide their feedback directly to the ILGA via the Applications Noticeboard. The site notice must remain in place until the application is determined.

This process provides appropriate information to the recipient in order for them to form a view on the proposal, and sufficient time to provide feedback to the applicant, and LSA is aware that often submissions are accepted well beyond the period for comment.



Throughout this entire process however, LSA's evidence indicates that many of the stakeholders contacted provide no feedback either positively or negatively.

Is the CIS, once submitted by an applicant to L&GNSW, being promoted by L&GNSW in an effective and appropriate way to provide background on community consultation conducted by the applicant and reflect feedback from community stakeholders?

In general, yes the promotion by L&GNSW of the CIS and application once submitted is appropriate and sufficient, with any further activity simply adding unnecessary complexity and cost imposed to the application process. However, LSA and our members are concerned about ensuring administrative efficiency and effectiveness.

All too often the time taken for applications to appear on the *Liquor Application Noticeboard* is inconsistent and inefficient, ranging from less than 48 hours, to several weeks in some instances.

LSA maintains there is no reason why an application, processed by a sophisticated, fit-for-purpose regulatory framework, should take any more than a couple of business days to be uploaded to the *Liquor Application Noticeboard* – this is an administrative issue that needs to be improved.

How can consultation and notification processes be improved?

As a means of reducing red-tape and encouraging economic growth, the effective four step 'community engagement' process, consisting of: (1) DA approval process, (2) Notice of Intention to Apply, (3) Notice of Application, and (4) Liquor Application Noticeboard, could be streamlined by removing one step.

LSA recommends that the *Notice of Intention to Apply* is an unnecessary step in the process and could be removed. The cost and resource burden for applicants to serve notices, particularly in high-density areas, is significant, and is effectively a duplication of work as this is also a requirement of the *Notice of Application*.

Furthermore, in the vast majority of instances, Police and other community stakeholders choose not to comment during this part of the process, knowing they have the opportunity to respond at a later stage.

The overall consultation process and decision time frames could also be streamlined so as to run simultaneously.

Site notices:

Adverse occupants who won't let applicant display signage, often requires the applicant to be creative. The requirement to keep the notice up until the application is determined is overly onerous, and does not take into account the difficulty of maintaining the sign particularly if there is a sitting tenant.

2. DOES THE CIS CAPTURE LOCAL COMMUNITY CONCERNS AND FEEDBACK?

Does the process give sufficient opportunity for community stakeholders to express any concerns or provide positive feedback on a proposed application?

LSA believes the CIS process gives sufficient opportunity for community stakeholders to express any concerns, or provide positive feedback on a proposed application.

Are the feedback and concerns of stakeholders being reported by applicants via the CIS in a reliable and accurate manner?

LSA members indicate that the initial *Notice of Intention to Apply* typically yields minimal feedback from community stakeholders; is often a standard response with little variance from application to application, and in many cases



such feedback provides little assistance to the formation of the CIS or application, with typical responses indicating that they will review the full application once it is received and provide their feedback directly to ILGA.

Feedback and concerns of stakeholders in opposition to an application being reported by applicants often relate to assumptions of the likelihood of increased risk of alcohol-related harms to the community.

Alcohol-related violence:

Common social misconception is that alcohol-related violence is on the increase. In fact the opposite is true with declines in both areas trending down substantially over the past eight years and while any alcohol-related violence is unacceptable, it's encouraging that alcohol-related incidents in NSW have decreased by around 40%¹.

Further, contrary to many opinions there is no correlation in the increased amount of liquor licences and alcohol-related violence incidents. At the same time as violence, assault rates and consumption has been falling, there has been a significant increase in the total number of liquor licences in NSW.

Does the CIS process meet the needs of people from culturally diverse backgrounds or people with a disability, including applicants and community stakeholders?

Does the CIS ensure applicants consult and respond to feedback received from community stakeholders prior to submitting an application?

LSA believes that the CIS process sufficiently meets the needs of people from culturally diverse backgrounds and people with a disability, including applicants and community stakeholders, and sufficiently ensures applicants consult and respond to feedback received from community stakeholders prior to submitting an application.

Do community stakeholders have confidence that ILGA and delegated officers will take their feedback into account when making a decision on an application?

Community stakeholders should have confidence that ILGA and their delegated officers are taking their feedback into account when making a decision on an application, even when this feedback is positive as part of the CIS process, which often is disregarded or ignored.

LSA also has evidence to believe that delegated officers will often go out of their way to solicit feedback from key community stakeholders, even if these bodies choose not to comment or have no objections, and even after the defined timeframe for stakeholder consultation, which hardly seems fair and impartial.

3. IS THE INFORMATION COLLECTED DURING THE CIS PROCESS USEFUL?

Does the CIS help to identify the risks to the community of a proposed liquor licence or authorisation, including with respect to alcohol-related violence and anti-social behaviour?

LSA believes the CIS helps identify potential risks to the community of a proposed liquor licence or authorisation.

Given the relatively complex nature of the liquor licence application process, and in knowing what will be considered by decision-makers, applicants will often include and reference available data on alcohol-related violence and anti-social behaviour by suburb or LGA, as do other stakeholders (Police, Health, etc) consistently through this process, as a means of raising any legitimate evidence-based concerns.

LSA understands that very little, if any, useful or substantive information pertaining to potential risks to the community is provided to the applicant during the initial *Notice of Intention to Apply* period.

¹ NSW Bureau of Crime Statistics & Research



Does the CIS help to identify the benefits to the community of a proposed liquor licence or authorisation?

Introducing a new liquor store to an existing market does not introduce new consumers, it simply provides more choice to existing consumers.

As reinforced by the dropping overall levels of consumption², while the number of outlets has risen significantly, there is no evidence that a consumer drinks more because there are more places to drink or purchase alcohol. While a consumer drinks similar or less overall volumes of alcohol, their choice of product, or the outlet from which they choose to purchase it from, may change.

Benefits to the community such as more choice and convenience for customers, employment opportunities or economic contributions, are seemingly ignored, or given less weight than objections.

Often, most local community members do tend to remain relatively silent and do not provide feedback – positive or negative – to an individual application, with the vast majority of feedback received during the CIS process coming from ‘special interest groups’. This feedback is unfortunately always negative, and has the potential to disproportionately influence the views of decisions makers.

What is known on a global level is that the community is largely supportive of additional alcohol outlets. These provide choice, competition, increased range and service offerings and benefit the consumer overall.

Australians support targeted measures to curb alcohol abuse:

The Australian Institute of Health and Welfare (AIHW) National Drug Strategy Household Survey (NDSHS)³ looks at peoples support for various alcohol policies.

Results from the 2016 AIHW NDSHS reinforced that Australians support targeted measures rather than whole of population control measures to curb alcohol abuse.

Public support for alcohol policy measures clearly favour targeting high risk behaviours and activities with 84% of Australians believing there needs to be ‘*more severe legal penalties for drink driving*’, 80.9% supporting ‘*stricter enforcement of law against supplying minors*’, and 80.5% wanting ‘*stricter enforcement of the law against serving customer who are drunk*’ (80.5%).

Of the 18 proposed measures to reduce the problems with alcohol within the survey, the second least supported measure by respondents was to ‘*reduce the number of outlets that sell alcohol*’ (32.2%), with the least supported measure being ‘*increasing the price of alcohol*’ (28.3%).

This demonstrates that the greatest level of community support for measures to curb alcohol abuse is the enforcement of penalties that target the high risk behaviour of offenders.

Are there any categories of information currently missing from a CIS that would help to identify the aforementioned risks and / or benefits?

LSA believes the categories of information within the CIS is adequate to help identify the potential risks and / or benefits associated with a liquor licence application.

Does the CIS generate new and additional information beyond what is provided by community stakeholders via the DA consultation process?

² Australian Bureau of Statistics

³ Australian Institute of Health & Welfare 2016 National Drug Strategy Household Survey



The CIS is considered in determining whether the overall social impact of a liquor licence or authorisation will be detrimental to the well-being of a local or broader community. The Local Consent Authority considers similar matters during the DA process.

Local Councils are consulted as part of the CIS process, and have sufficient opportunities to make comment as part of the CIS process if they feel it necessary.

LSA understands that feedback is often received during the CIS process that relate to matters addressed during the Local Consent Authority process, which have already been addressed by the Local Council during the DA.

The requirement for applicants to receive approval from two consent authorities: (1) Local Councils for the planning permit, where often an SIA is required, and (2) ILGA for the liquor licence approval, is for the most part a duplication of work, where neither authority seem to acknowledge the information created by the other.

There are concerns with Local Councils determining liquor licensing matters, as they are arguably not best placed and have often imposed conditions without substantial reasons (e.g. requiring a security guard to be on duty when seeking a DA approval as part of a packaged liquor licence application). Further, their ability to properly consider social issues differ from Council to Council.

Is the feedback and information collected via the CIS of the nature that is useful to inform decision-making with respect to the consideration of applications?

Where feedback and information collected from stakeholders is evidence-based and relating to health, risk or crime, consideration as part of the CIS process is warranted.

A simplistic policy focus solely on availability of alcohol beverages will not produce the results the community is looking for in terms of a reduction in the levels of anti-social behaviours and violence. The interrelationship between excessive alcohol consumption and criminal and anti-social behaviour is complex and multifaceted.

Policy objectives should recognise the importance of a properly regulated liquor industry that is able to develop in a sustainable way, that is consistent with public interest, whereby the risk of and actual harm arising from the sale, supply and any excessive consumption of alcohol is minimised.

Policy decisions are often informed by research materials written by those with clear alliance with the anti-alcohol lobby or temperance movements with clear agendas.

Do the benefits of the CIS justify the costs or time impositions placed on businesses, local residents and other stakeholders to participate in this requirement?

The purpose of the CIS is to help decision-makers understand the outcomes of discussions between applicants and stakeholders regarding issues and concerns that are relevant to the application, allow them to be aware of relevant local issues, and ultimately to determine whether the overall social impact of a liquor licence or authorisation will be detrimental to the well-being of a local or broader community.

The CIS process is in most cases the most crucial stage in the process of applying for the grant of, or removal of a licence, and the cost of preparing a CIS can be substantial given the significant number of organisations that must be consulted, albeit prior to an application being lodged.

While this is a significant cost for large organisations it particularly impacts on small independent operators who do not have the resources to prepare submissions, nor the skills to conduct a community consultation. Inevitably those operators need to engage professional assistance at considerable cost imposed to compile their CIS and application.

4. ARE THERE OPPORTUNITIES TO CUT RED-TAPE AND MINIMISE DELAYS FROM THE CIS PROCESS?

How much time and resources do applicants spend on complying with the CIS requirement, from start to finish?

LSA understands the CIS and application process can take applicants in excess of 50 hours to prepare, with legal costs for a typical CIS well in excess of \$10,000, and includes research, serving notices, assessing responses and physically preparing the CIS. In addition, the entire process can take 6 – 12 months (excluding the DA component), and even longer when applications are contested, suggesting that the process could be streamlined.

Example 1 – current approximate time impost for PLL application:

Stage of process	Length of time
1. Preparation and distribution of <i>Notice of Intention to Apply</i>	1 – 2 weeks
2. <i>Notice of Intention to Apply</i> notification period	4 weeks
3. Preparation of CIS, application and other supporting materials	2 – 4 weeks
4. Lodgement of application (online via www.onegov.nsw.gov.au)	0.5 weeks
5. Lodgement of application (when not able to be lodged online)	2 – 4 weeks
6. Public notification period via <i>Liquor Application Noticeboard</i>	4 weeks
7. Review period for decision on application (maximum as per ministerial direction)	17 weeks
Total typical approximate time impost	28.5 – 35 weeks

By eliminating the requirement to provide the *Notice of Intention to Apply* step as part of the CIS process for all applications, and creating the necessary capabilities to enable all applications to be submitted online via www.onegov.nsw.gov.au, this would significantly improve and reduce the time impost by 5 – 10 weeks.

Example 2 – proposed approximate time impost for PLL application:

Stage of process	Length of time
1. Preparation of CIS, application and other supporting materials	2 – 4 weeks
2. Lodgement of application (online via onegov)	0.5 weeks
3. Public notification period via <i>Liquor Application Noticeboard</i>	4 weeks
4. Review period for decision on application (maximum as per ministerial direction)	17 weeks
Total typical approximate time impost	23.5 – 25.5 weeks

Even a reduced 23.5 – 25.5 week application period is still a significant amount of time for business to wait for a decision, which in effect is an innovation inhibitor, inadvertently constricting the industry to those operators able to manage and afford the significant time and cost burden to see through this lengthy process.

Have ILGA and L&GNSW done a satisfactory job providing guidance and instruction to applicants on how to complete the CIS?

As previously indicated, the CIS process is critical in the process of applying for the grant of, or removal of a licence, and the cost of preparing one can be substantial given the significant number of organisations that must be consulted, albeit prior to an application being lodged.

While this cost is significant for large organisations it particularly impacts on small independent operators who do not have the resources to prepare submissions, nor the skills to conduct a community consultation. Inevitably those operators need to engage professional assistance at considerable cost impost to compile their CIS and application.

Submission / review close date:



LSA understands that the decision maker will often allow stakeholders to make a submission well beyond the submission / review close date – even going out of their way to encourage certain stakeholders to make a submission, which delays the entire application process.

Deadlines exist for a reason, and if stakeholders fail to submit within the required timeframes then the process should be continued without any further delay, with submissions received after the deadline to be disregarded.

What aspects of the CIS process involve the greatest time commitment, and are subject to the longest delays?

Aside from the actual preparation of the CIS and application, both the *Notice of Intention to Apply* and the *Notice of Application* steps within the current CIS process; the identification of stakeholders, and then physically distributing the notice to surrounding residents, involves the greatest time commitment.

When notifying occupants of neighbouring premises, this number can vary from a handful to over a thousand in some instances, depending on the location, with costs to the applicant for the time it takes to physically serve the notices, fluctuating significantly from a few hours, to more than 20 hours for high density residential areas.

Although technically not part of the CIS process, LSA would argue that a liquor licence application should not take 120 days (4 months) to be reviewed and for a final decision to be made. We acknowledge that 120 day is the maximum period under ministerial direction, and government's (and ILGA's) intention is for decisions to be made well before the deadline, however this is the exception, not the rule.

Are there any aspects of the CIS process that are unnecessary and not useful?

What enhancements could be made to the CIS process to reduce costs and regulatory burden for applicants and other stakeholders, and shorten completion timeframes?

Remove the Notice of Intention to Apply:

As previously stated, the *Notice of Intention to Apply* component is unnecessary and not particularly useful, and LSA recommends that this step be removed from the CIS process. It is an effective 'double-up' of activity, slowing down the process and adding more cost to applicants, and rarely yields relevant or substantive information that adds value to effectively assessing an application.

Should the *Notice of Intention to Apply* requirement be removed, community stakeholders will still be properly notified of the application when lodged and posted on the *Liquor Application Noticeboard* addressing all the necessary benefits and risks, for stakeholders to review when considering whether to make a submission.

Enable all applications to be made online:

As previously stated, the www.onegov.nsw.gov.au website needs to be updated to allow all types of applications to be lodged online. This will have the immediate effect of reducing the time it takes for some applications to appear on the *Liquor Application Noticeboard* and would also reduce the time and resource required by L&GNSW staff.

Submissions received by L&GNSW:

When applications are lodged with L&GNSW and submissions are received during the public notification period via the *Liquor Application Noticeboard*, L&GNSW, at the conclusion of this period, asks the applicant to respond to said submissions.

There are often delays between the end of the public notification period, and when applicants receive applicable submissions from L&GNSW to respond to – LSA understands that this can be as slow as 6 – 8 weeks.



This step could be improved, and to cut unnecessary red-tape and streamline the application process, in the event of submissions being received, L&GNSW should be required to provide them to applicants in a timely manner (i.e. within 2 – 3 business days) at the end of the public notification period.

Run the CIS process simultaneously with the application:

L&GNSW could consider allowing for licence applications and development applications to be run concurrently, whereby a licence application could be conditionally granted and exercised if Local Consent Authority provides approval which is consistent with the licence approval.

Remove the CIS requirement for some applications:

There are some applications which arguably should not require a formal CIS process. These examples include (1) moving from one shop or tenancy to another within the same shopping complex / centre, or (2) moving to another location within the same suburb.

LSA has no concern with a CIS being completed as part of the application, for removals from one suburb to another, or to a new location (even within the same suburb) whereby the overall size of the new licensed area would be significantly larger than previous.

5. ARE THERE OPPORTUNITIES TO MINIMISE OVERLAPS IN COMMUNITY CONSULTATION PROCESSES ACROSS LOCAL AND STATE GOVERNMENT?

What types of stakeholders, if any, are consulted via the CIS that are not also consulted via DA consultation processes?

LSA is not aware of any relevant stakeholders not informed during either the DA or CIS process of an application.

What types of issues, if any, are subject to stakeholder feedback via the CIS process that are not also the subject of feedback during DA consultations?

As previously stated, there is often duplication within the work undertaken as part of the DA and CIS processes, however as (a) liquor licensing and (b) town planning are very different fields, the expertise of both authorities must not be compromised, therefore they are both important and necessary.

However, where Local Council has considered and dealt with stakeholder feedback in relation to a particular issue or concern as part of the DA approval, then there should be no need for applicants to have to revisit or respond to the same issue again with the CIS.

Can the DA process, in isolation, give sufficient opportunity for stakeholders to give feedback on the potential community impacts of a new liquor licence or authorisation?

Does the CIS consultation process, in circumstances where a DA is not required, encompass a sufficient and appropriate range of community stakeholders?

In what ways can the CIS and council DA processes be coordinated to minimise unnecessary duplication?

LSA believes that the CIS consultation process, in circumstances where a DA is not required, encompasses a sufficient and appropriate range of community stakeholders.

The DA process deals with amenity type issues (traffic, noise, etc), which are often the subject of submissions during the CIS process. Should a Local Council deem these issues manageable through the conditions of the consent, then in fairness they should be disregarded during the decision-making process.

Too often, during the DA process a Local Council involve themselves in matters appropriately considered as part of the liquor licence process. And equally, local residents will often use the CIS consultation process to make complaints related to traffic and planning management which are considered at the DA stage.

An opportunity exists to set clearer parameters on what items are to be considered within each part of the application process.

6. ARE THE SEPARATE CIS CATEGORIES (A & B) NECESSARY AND APPROPRIATE?

Do application types listed under the A and B categories have sufficiently different risks and risk consequences to warrant different CIS processes?

What changes, if any, should be made to Categories A or B to improve the effectiveness of the CIS process (including combining, removing or changing each or both of the current categories) to ensure different risk profiles are appropriately recognised in the local stakeholder engagement undertaken by applicants?

LSA believes that the CIS A and B categories are appropriate as they recognise varying risk categories, however it is the notification process across both categories, which is time consuming and costly.

As previously stated, the *Notice of Intention to Apply* component within both A and B categories is unnecessary and not particularly useful, and LSA recommends that this step be removed from the CIS process. This would affect the time impost without impacting on the relevant stakeholders having an opportunity to provide their feedback.

7. WHAT TYPES OF LIQUOR LICENCES AND AUTHORISATIONS SHOULD BE REQUIRED TO COMPLETE A CIS?

Are there any applications or venue types that are currently excluded from the CIS requirement that should not be excluded?

Are there application or venue types that are not excluded from the requirement that should be?

LSA believes there are no categories of applications that are currently excluded from the CIS requirement, which should be included in it. There are however some application types which arguably should not require a formal CIS process, such as straightforward removals as previously stated.

- Moving from one shop or tenancy to another within the same shopping complex / centre;
- Moving to another location within the same suburb;

LSA has no concern with a CIS being completed as part of the application, for removals from one suburb to another, or to a new location (even within the same suburb) whereby the overall size of the new licensed area would be significantly larger than previous.